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PUBLIC SERVICE COMMISSION

March 2, 2022

Chair Kumar P. Barve
Environment and Transportation Committee
House Office Building, Room 251
Annapolis, MD 21401

RE: UNFAVORABLE – HB 880 – Environment - Impact of Actions on Climate, Labor, and Environmental Justice

Dear Chair Barve and Committee Members:

House Bill 880 would require all governmental units to evaluate and determine the effects of any action on climate, labor and employment, environmental justice, and overburdened communities. The Maryland Public Service Commission opposes HB 880 because it would place an extraordinary burden on the Commission in processing thousands of applications annually. While the Commission currently considers the impacts of its actions on issues regarding labor and climate change, the additional requirements in HB 880 would be unduly burdensome. Specifically, HB 880 would require the Commission to consider additional impacts to environmental justice and overburdened communities and, perhaps most importantly, develop a written report outlining these impacts related to every agency action.

The Commission's jurisdiction under the *Public Utilities Article* is broad and includes public service companies and for-hire transportation companies doing business in Maryland.¹ In regulating these entities, the Commission is empowered to hear and decide matters relating to: (1) rate adjustments; (2) applications to exercise or abandon franchises; (3) applications to modify the type or scope of service; (4) approval of issuance of securities; (5) promulgation of new rules and regulations; (6) mergers or acquisitions of electric companies or gas companies; (7) quality of utility and common carrier service; and (8) issuance of Certificates of Public Convenience and Necessity (CPCN). In addition, the Commission collects and maintains

¹ These include: gas and electric utilities; competitive energy suppliers; telecommunications companies; water and sewerage (privately-owned) companies; bay pilots and docking masters; passenger motor vehicle carriers (*e.g.*, Uber/Lyft, buses, limousines, sedans); railroad companies;¹ taxicabs operating in the City of Baltimore, Baltimore County, St. Mary's County, Charles County, Cumberland, and Hagerstown; and hazardous liquid pipelines.

records and reports of public service companies, reviews plans for service, inspects equipment, audits financial records, handles consumer complaints, issues passenger-for-hire permits and drivers' licenses, enforces its rules and regulations, defends its decisions on appeal to State courts, and intervenes in relevant cases before federal regulatory commissions and federal courts.

The Commission currently has a statutory mandate to consider public safety, the economy of the State, fair and stable labor standards, conservation of natural resources, environmental quality including climate change, and the State's climate goals. The Commission is not opposed to considering impacts on environmental justice and overburdened communities. However, the current requirements are generally incorporated into current reviews based on information that is during the course of Commission proceedings. In contrast, this legislation would require the Commission to generate information internally.

HB 880 defines "covered actions" to include rules, orders, licenses, approvals, denials of sanctions and relief. This overly broad requirement would cover a significant number of Commission actions. **In many of these cases, the written report required under HB 880 would require far more resources than the actual review and approval of the application itself.** Also, the requirement to conduct certain evaluations and issue reports prior to taking action on a matter will, in many cases, significantly impair the Commission's ability to meet statutory timelines, and otherwise delay requested outcomes. Notably, this legislation could delay timely actions affecting public safety and could result in dangerous outcomes.

As explained above, the Commission is **already** considering many of the factors that HB 880 seeks to codify in law. **HB 880's requirement to consider and produce a report for every agency action would be unduly burdensome, create significant delay, and impact public safety.** For these reasons, the Commission respectfully opposes HB 880.

Thank you for your consideration of this testimony. Please contact Lisa Smith, Director of Legislative Affairs, at (410) 336-6288 if you have any questions.

Sincerely,



Jason M. Stanek
Chairman